

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Finance, to which was referred Senate Bill No. 520, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 7 through 17, begin a new line block indented
2 and insert:
3 **"(1) Aircraft that:**
4 **(A) have a seating capacity of not more than ninety (90)**
5 **passengers;**
6 **(B) are used in the air transportation of passengers or**
7 **passengers and property; and**
8 **(C) are owned or operated by a person who is:**
9 **(i) an air carrier certificated under Federal Air**
10 **Regulation Part 121; or**
11 **(ii) a scheduled air taxi operator certified under Federal**
12 **Air Regulation Part 135.**
13 **(2) Aircraft that:**
14 **(A) are used to transport only property, regardless of**
15 **whether the aircraft is operated as a common carrier for**
16 **compensation; and**
17 **(B) are owned or operated by a person who is:**
18 **(i) an air carrier certificated under Federal Air**
19 **Regulation Part 121; or**
20 **(ii) a scheduled air taxi operator certified under Federal**
21 **Air Regulation Part 135."**

- 1 Page 2, delete lines 1 through 2.
- 2 Page 2, line 4, delete "tangible personal property" and insert
- 3 **"aircraft"**.
- 4 Page 2, delete lines 13 through 15.
- 5 Page 2, line 16, delete "7." and insert **"6."**.
- 6 Page 2, delete lines 21 through 22.
- 7 Page 2, line 23, delete "9." and insert **"7."**.
- 8 Page 2, line 27, delete "10." and insert **"8."**.
- 9 Page 2, line 34, delete "11." and insert **"9."**.
- 10 Page 2, line 37, delete "12." and insert **"10."**.
- 11 Page 2, line 39, delete "13." and insert **"11."**.
- 12 Page 2, line 41, delete "14." and insert **"12."**.
- 13 Page 3, between lines 4 and 5, begin a new paragraph and insert:
- 14 **"SECTION 2. IC 6-6-6.5-9 IS AMENDED TO READ AS**
- 15 **FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 9. (a) The**
- 16 **provisions of this chapter pertaining to registration and taxation shall**
- 17 **not apply to any of the following:**
- 18 (1) An aircraft owned by and used exclusively in the service of:
- 19 (i) the United States government;
- 20 (ii) a state (except Indiana), territory, or possession of the
- 21 United States;
- 22 (iii) the District of Columbia; or
- 23 (iv) a political subdivision of an entity listed in clause (i), (ii),
- 24 or (iii).
- 25 (2) An aircraft owned by a resident of another state and registered
- 26 in accordance with the laws of that state. However, the aircraft
- 27 shall not be exempt under this subdivision if a nonresident
- 28 establishes a base for the aircraft inside this state and the base is
- 29 used for a period of sixty (60) days or more.
- 30 (3) An aircraft which this state is prohibited from taxing under
- 31 this chapter by the Constitution or the laws of the United States.
- 32 (4) An aircraft owned or operated by a person who is either an air
- 33 carrier certificated under Federal Air Regulation Part 121 or a
- 34 scheduled air taxi operator certified under Federal Air Regulation
- 35 Part 135, unless such person is a corporation incorporated under
- 36 the laws of the state of Indiana, ~~or~~ an individual who is a resident
- 37 of Indiana, **or a corporation with Indiana corporate**
- 38 **headquarters (as defined in IC 6-1.1-12.2-6).**
- 39 (5) An aircraft which has been scrapped, dismantled, or
- 40 destroyed, and for which the airworthiness certificate and federal
- 41 certificate of registration have been surrendered to the Federal
- 42 Aviation Administration by the owner.

(6) An aircraft owned by a resident of this state that is not a dealer and that is not based in this state at any time, if the owner files the required form not later than thirty-one (31) days after the date of purchase; and furnishes the department with evidence, satisfactory to the department, verifying where the aircraft is based during the year.

(7) An aircraft owned by a dealer for not more than five (5) days if the ownership is part of an ultimate sale or transfer of an aircraft that will not be based in this state at any time. However, the dealer described in this subdivision is required to file a report of the transaction within thirty-one (31) days after the ultimate sale or transfer of ownership of the aircraft. The report is not required to identify the seller or purchaser but must list the aircraft's origin, destination, N number, date of each transaction, and ultimate sales price.

(8) An aircraft owned by a registered nonprofit museum, if the owner furnishes the department with evidence satisfactory to the department not later than thirty-one (31) days after the purchase date. The aircraft must be reported for registration, but the department shall issue the registration without charge.

(b) The provisions of this chapter pertaining to taxation shall not apply to an aircraft owned by and used exclusively in the service of Indiana or a political subdivision of Indiana or any university or college supported in part by state funds. That aircraft must be reported for registration, but the department will issue the registration without charge.

SECTION 3. [EFFECTIVE JANUARY 1, 2004] IC 6-6-6.5-9, as amended by this act, applies to aircraft excise taxes and registration fees imposed under IC 6-6-6.5 after December 31, 2003."

- 1 Page 3, line 7, delete "2002," and insert "**2003**,".
- 2 Page 3, line 8, delete "2003." and insert "**2004**,".
- 3 Renumber all SECTIONS consecutively.
(Reference is to SB 520 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 15, Nays 0.

Senator Borst, Chairperson